

Education Cabinet

Kentucky's February jobless rate unchanged at 5.2 percent

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Editor's Note: Preliminary February and revised January labor market information is included in this release.

FRANKFORT, Ky. — Kentucky's seasonally adjusted preliminary unemployment rate for February 2008 remained at January 2008's revised 5.2 percent level, according to the Office of Employment and Training (OET), an agency of the Kentucky Education Cabinet. February 2007's jobless rate was 5.7 percent.

The U.S. seasonally adjusted jobless rate fell from 4.9 percent in January 2008 to 4.8 percent in February 2008, according to the U.S. Department of Labor.

Unemployment statistics are based on estimates and are compiled to measure trends rather than actually to count people working.

Five of the 11 major nonfarm job North American Industry Classification System (NAICS) sectors reported employment increases in February 2008, while five decreased, and one was unchanged, according to OET. A decrease of 400 jobs in February 2008 brought Kentucky's nonfarm employment to a seasonally adjusted total of 1,881,100. Since February 2007, Kentucky's nonfarm employment has risen by 22,100.

"Kentucky's economy showed its resiliency as the unemployment rate held steady in February. However, there was a significant decrease in the civilian labor force in the last month. The overall decline in the civilian labor force likely resulted from a combination of factors including seasonal workers leaving the labor force at the end of the holiday season and individuals becoming discouraged and dropping out of the labor force," said Justine Detzel, OET chief labor market analyst.

According to the seasonally adjusted employment data, jobs in the financial activities sector rose by 900 in February 2008. This segment, which includes businesses involved in finance, insurance, real estate and property leasing or rental, has added 2,500 positions over the past 12 months.

The construction sector recorded 700 more positions in February 2008 than in January 2008. Since February 2007, employment in this sector has increased by 5,600 positions.

The government sector, which includes public education, public administration agencies, and state-owned hospitals, added 500 jobs in February 2008. Since February 2007, this sector has risen by 8,000 jobs.

Kentucky's trade, transportation and utilities sector had 400 more jobs in February 2008. This area includes retail and wholesale trade, transportation and warehousing businesses, and utilities, and it is the largest sector in Kentucky with 391,100 employees. Since February 2007, the number of jobs in this sector has jumped by 6,100.

The employment figure in the natural resources and mining sector rose by 200 jobs from January 2008 to February 2008. Since February 2007, the segment has lost 400 jobs.

The information sector reported the same number of jobs in January 2008 and February 2008. This segment, which includes firms involved in publishing, Internet activities, and broadcasting and news syndication, has gained 800 positions since February 2007.

Kentucky's leisure and hospitality sector fell by 1,300 jobs in February 2008. Since February 2007, employment in the sector has increased by 3,600 positions. The leisure and hospitality sector includes arts, entertainment and recreation, accommodations, and food services and drinking places industries.

For the third month in a row, the manufacturing sector experienced employment losses. Between January 2008 and February 2008, the number of manufacturing jobs decreased by 500. Compared to February 2007, jobs in the sector were down by 8,800 in February 2008.

"The non-durable goods subsector accounted for the majority of employment losses from January 2008 to February 2008. Cash-strapped consumers, squeezed by higher food and energy prices, tighter credit conditions and declining household wealth, are reducing discretionary purchases in an effort to make ends meet," said Detzel.

"The year-over-year employment decrease in manufacturing is concentrated in the durable goods subsector. However, both the durable goods and non-durable goods subsectors experienced sizable employment losses. Consumers have become reluctant to reach into their wallets and purchase big-ticket items such as automobiles," she said.

The number of jobs in the professional and business services sector dropped by 500 in February 2008. This area had 1,900 more employees in February 2008 than in February 2007. The professional and business services sector includes professional, scientific and technical services, management of companies, and administrative and support management, including temporary help agencies.

Kentucky's educational and health services sector lost 500 jobs in February 2008. Since last February, this segment has gained 1,300 jobs. This sector includes private and nonprofit establishments that provide either education and training, or health care and social assistance to their clients.

The state's other services sector, which includes such establishments as repair and maintenance businesses, personal and laundry services, religious organizations, and civic and professional

organizations, fell by 300 jobs in February 2008. This area had 1,500 more jobs in February 2008 than in February 2007.

The U.S. Bureau of Labor Statistics' monthly estimate of the number of employed Kentuckians for February 2008 was 1,937,171 on a seasonally adjusted basis. This figure is down 8,532 from the 1,945,703 employed in January 2008, but up 8,878 from the 1,928,293 employed in February 2007.

The monthly estimate of the number of unemployed Kentuckians for February 2008 was 106,958, down 736 from the 107,694 Kentuckians unemployed in January 2008, and down 9,418 from the 116,376 unemployed in February 2007.

The monthly estimate of the number of Kentuckians in the civilian labor force for February 2008 was 2,044,129. This figure is down 9,268 from the 2,053,397 recorded in January 2008, and down 540 from the 2,044,669 recorded for February 2007.

Civilian labor force statistics include non-military workers and unemployed Kentuckians who are actively seeking work. They do not include unemployed Kentuckians who have not looked for employment within the past four weeks.

Kentucky's statewide unemployment rate and employment levels are seasonally adjusted. Employment statistics undergo sharp fluctuations due to seasonal events, such as weather changes, harvests, holidays and school openings and closings. Seasonal adjustments eliminate these influences and make it easier to observe statistical trends. However, because of the small sample size, county unemployment rates are not seasonally adjusted.

Learn more about the Office of Employment and Training at www.workforce.ky.gov.

A complementary experimental hours and earnings series is available at <http://www.bls.gov/sae/saeapp.htm>.

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